

40 Penn. - General assembly
March 1850

AN ACT

To re-charter certain Banks.

SECTION 1. *BE it enacted by the Senate and House of Representatives of the Commonwealth of Pennsylvania in General Assembly met, and it is hereby enacted by the authority of the same, That each and every association of persons and bodies corporate and Corporations politic, who now are or may be at any time, prior to the first created.* day of April, one thousand eight hundred and twenty-five, stockholders or proprietors of the capital stock of any of the following named banks, viz: Carlisle Bank, Bank of Chambersburg, Bank of Chester county, Commercial Bank of Pennsylvania, Bank of Delaware county, Easton Bank, Farmers' Bank of Bucks county, Farmers' Bank of Lancaster, Bank of Germantown, Bank of Gettysburg, Harrisburg Bank, Bank of Pittsburg, Lancaster Bank, Mechanics' Bank of the city and county of Philadelphia, Monongahela Bank of Brownsville, Bank of Montgomery county, Northampton Bank, Schuylkill Bank in the city of Philadelphia, Westmoreland Bank of Pennsylvania, York Bank, Farmers' Bank of Reading, and the Farmers' and Mechanics' Bank, shall be, and each and every association of persons as aforesaid, their successors and assigns, are hereby declared to be, upon the conditions hereinafter specified, one body corporate and politic, by the same name, style and title, by which the said associations are now respectively known and designated by law; and by the same name, shall be able to sue and be sued, implead and be impleaded, in all courts of record and elsewhere, and to purchase, have and hold, receive, possess, enjoy and retain, to them and their successors, lands, tenements, hereditaments, rents, goods, chattels and effects, of whatsoever nature or quality, to an amount not exceeding the capital stock of the said bank, as declared in the second section of this act, except such as may be held in security, for payment of debt; and the same, from time to time, to sell, grant, demise, alien or dispose of; and also to make, to have and use, a common seal, and the same to break, alter and renew, at pleasure; and also, to ordain, establish and put in execution, such by-laws, ordinances and regulations, as shall appear necessary and convenient, for the government of the said corporations, respectively, not being contrary to the fundamental articles thereof, or to the constitution or laws of the United States, or of this state; and generally to do and execute all acts, matters and things, consistently with the provisions of this act, which a corporation or body politic, in law may or can lawfully do and execute; and to have, hold, receive, possess, enjoy and retain, to them and their successors, all the estate, property and effects, of every kind, which the aforesaid banks, respectively, shall be possessed of or entitled to, at the time of

Of the name
and style.

Powers
rights and
privileges.

the expiration of the several acts incorporating the said banks; and all rights to and contracts respecting the same, shall be vested in the corporations, respectively hereby created, in the same manner as if the acts incorporating the said banks, had been continued in full force, until the periods hereinafter mentioned and provided in the sixth section of this act; and the said several corporations hereby created, may sue and be sued, on all debts, claims or demands, due or owing to or from the said banks, respectively, heretofore incorporated, as aforesaid, in the same manner as if the acts incorporating the same had been continued in full force and effect, as aforesaid; and the said several corporations hereby created, shall have the benefit and advantage of, and be liable to all contracts and engagements entered into with the said banks, respectively, heretofore incorporated, in the same manner as if the acts incorporating the same had been continued in full force and effect, as aforesaid; and all suits brought by or against the said banks, shall be continued and adjudged in the same manner as if the said acts incorporating the same had been continued in full force and effect as aforesaid, without the necessity of alleging the same in pleading.

Of the capital stock.

SECT. 2. *And be it further enacted by the authority aforesaid,* That the capital stock of each of the banks created in pursuance of this act, shall be and continue the same as fixed for the said banks respectively, by the act of the twenty-first day of March, eighteen hundred and fourteen, entitled "An act regulating banks;" and the act entitled "An act incorporating the Farmers' and Mechanics' Bank;" passed the sixteenth of March, eighteen hundred and nine

Fundamental articles.

SECT 3 *And be it further enacted by the authority aforesaid,* That the following rules, restrictions, limitations and provisions, shall form and be the fundamental articles of the constitution of the said corporations, to wit:

ARTICLE I.

Directors.

Who shall not be directors.

The affairs of each Bank, shall be conducted by thirteen directors, to be chosen annually by the stockholders. No person shall be a director who is not a citizen of the United States, and a stockholder in his own right. No person shall be at the same time a director of any two banks, created by this or any other act; nor shall the Governor or any Executive or Judicial officer of this Commonwealth, or member of the State Legislature, be a director.

ARTICLE II.

Of the election of directors.

The election of the directors of each bank shall be by ballot, and shall take place on the third Monday of November in every year, at such place, within the city or county where such bank is located, as the directors for the time being shall appoint; notice of which shall be given, thirty days previous thereto, in the manner hereinafter prescribed; and a fair and correct list of the stockholders shall be fixed up, at least two months before any

election of directors, in the common hall of the bank; and the President directors shall assemble on the first Monday succeeding such election, and choose one of their number to be president of the said bank. They shall continue in office one year and until others be chosen. If it shall happen, that an election of directors be not made on the day above prescribed, the corporation shall not, for that cause, be dissolved; but it may be lawful, on any other day, within thirty days thereafter, three weeks notice being given, in the manner aforesaid, to hold and make an election in such manner as the by-laws and ordinances of the corporation shall prescribe. And the directors shall, at the first meeting after such election, elect one of their number to be president; and in case of the death, resignation, absence from the United States, or inability to act, of the president or of any director, the board of directors shall choose another, to supply his place. No person shall be eligible as a director, for more than three years out of four, and not more than three-fourths of the directors shall be eligible to be re-elected, for the succeeding year, except the president, for the time being, who shall always be eligible. *Provided*, That the persons who shall be directors of the banks named in the first section of this act, at the time of the expiration of their present charters, shall be and continue directors of the respective banks hereby incorporated, until others are chosen according to the provisions of this act. And the directors so continued, shall do and perform all the duties, and be liable to all the obligations imposed upon the directors appointed in pursuance of this act.

ARTICLE III.

For the well ordering and conducting of the elections, the directors of each bank shall, previously thereto, appoint three stockholders, not being directors, to be judges of the election, who shall conduct and regulate the same, after having severally taken and subscribed an oath or affirmation, before a justice of the peace or alderman, well and truly and according to law, to conduct said elections. They shall determine whether the persons who shall have the greatest number of votes are duly qualified to be elected directors, and do come truly and plainly within the provisions of these articles; and after the conclusion of the ballot, shall decide and declare who are elected directors for the ensuing year.

ARTICLE IV.

The number of votes to which each stockholder shall be entitled, shall be according to the number of shares he or she shall hold, in the proportions following, that is to say: for each share not exceeding two shares, one vote; for every two shares above two, and not exceeding ten shares, one vote; for every four shares above ten, and not exceeding thirty, one vote; for every ten shares above thirty, and not exceeding fifty, one vote; but no share or number of shares, above fifty, shall confer any addition-

What to constitute a right to vote. al right of voting; and no share shall confer a right of suffrage, which shall not have been holden three calendar months previous to the day of election, nor unless it be holden by the person in whose name it appears, absolutely and *bona fide* in his own right, or in that of his wife, and for his or her sole use and benefit; or as executor or administrator, trustee or guardian; or in the right and for the use and benefit of some copartnership, corporation or society, of which he or she may be a member, and not in trust for or to the use and benefit of any other person. Stockholders resident within the United States, and no other, may vote by proxy, upon such terms and conditions as are prescribed by the act passed on the twenty-eighth day of March, in the year one thousand eight hundred and twenty, entitled "An act to regulate proxies;" *Provided*, That such proxy shall be dated within sixty days of the day of the election.

Who may vote by proxy.

Proviso.

ARTICLE V.

Of the by-laws. The board of directors of each bank shall have power to make by-laws, for the government and regulation of the corporation; which by-laws shall not be inconsistent with the constitution and laws of the United States, or of this state, or with the provisions of this act; to appoint a cashier and all other officers, clerks and other persons necessary for executing the business of the bank. And it shall be the duty of such board, to take a bond of the cashier, with two or more sureties, to the satisfaction of the same, for such sum as shall be determined by the board of directors, conditioned for the faithful execution of the duties of his office or appointment; nor shall he be allowed to carry on any other business, directly or indirectly, than that of the bank, except by permission of the president and board of directors, under the penalty of five thousand dollars, to be recovered by the board of directors for the use of the bank. And the said board shall take such security for the good behaviour of their other officers, clerks or other persons, respectively, as the by-laws shall prescribe; and shall establish the compensation to be paid to the president, cashier and other officers of such bank, respectively; which, together with all other expenses, shall be defrayed out of the corporate funds. And it shall not be lawful for the president, the cashier or any teller or clerk of any bank, to vote at any election, for directors of their respective banks, as the attorney, proxy or agent of any stockholder.

To appoint cashier, &c.

Cashier to give bond.

Not to carry on any other business.

Officers, clerks, &c. to give security.

Compensation.

Officers, &c. not to vote as the agents.

ARTICLE VI.

Debts not to exceed double the amount of the capital. The total amount of debts which any of the said corporations may at any time owe, whether by bond, bill, note or other contract, excepting the amount of money due to depositors, shall not, at any time, exceed double the amount of the capital stock; actually paid in. In case of excess, the directors, under whose administration it shall happen, shall be liable for the same, in their individual capacities; and an action of debt may, in such case, be brought against them, or any of them, or their or any of their

In case of excess directors shall be liable in their

heirs, executors or administrators, in any court, having competent individual jurisdiction, by any creditor or creditors of such corporation; and capacities. may be prosecuted to judgment and execution; any condition, covenant or agreement to the contrary, notwithstanding: but this shall not be construed to exempt the said corporation or the lands, tenements, goods or chattels, of the same, from being also liable for and chargeable with the said excess. Such of the said directors as may have been absent, when the said excess was contracted or created, shall not be considered as consenting thereto, or liable therefor; and those who may have dissented from the resolution or act whereby the same was so contracted or created, and who shall enter their dissent upon the minutes of the board, may exonerate themselves from being so liable, by forthwith giving notice of the fact to the stockholders, at a general meeting, which they shall have power to call for that purpose.

Absent or
dissenting
directors not
to be liable.

ARTICLE VII.

No director, except the president, shall be entitled to any emolument, unless the same shall have been allowed by the stockholders, at a general meeting.

Of emolu-
ments.

ARTICLE VIII.

The stated meetings of the directors of each bank shall be held at such times as the by-laws shall ordain; and special meetings may be held, by particular appointments, or upon the call of the president. A majority of the whole number of directors, of whom the president shall be one, shall form a board or quorum for the transaction of any business; but ordinary discounts may be made by the president and four other directors. In case of sickness or necessary absence of the president, his place may be supplied by a president *pro tempore*, to be appointed by the directors present, from among their number.

Of stated and
special meet-
ings.

Quorum.

President
pro. tem.

ARTICLE IX.

The board of directors of any of said banks, or twenty stockholders thereof, being together proprietors of one twentieth part of the stock of such bank, may, at any time, call a general meeting of the stockholders, for purposes relative to the institution, giving at least thirty days notice thereof, in the manner herein-after prescribed, specifying, in such notice, the object or objects of such meeting.

How general
meetings
may be cal-
led.

ARTICLE X.

A general meeting of the stockholders of each bank shall be held on the first Tuesday of November, in every year; at which time the directors shall lay before them a general and particular statement of the affairs of such bank: *Provided*, That this shall not be construed so as to compel the directors to lay before the stockholders, a statement of the private account of any individual or individuals.

Of annual
meetings.

Proviso.

ARTICLE XI.

Transfer of stock.

The stock of each of the said banks shall be assignable and transferable on the books of the corporation only, and in the presence of the president or cashier, in such manner as the by-laws shall ordain; but no stockholder indebted to the bank, for a debt actually due and unpaid, shall be authorised to make a transfer or receive a dividend, until such debt is discharged; or security, to the satisfaction of the directors, given for the same: *Provided always*, That no stock shall be assigned or transferred to any person or persons, directly or indirectly, except to citizens of this state, of the United States, or one of them; or to corporations created by the laws of any of the United States; or to such foreigner or foreigners as have previously declared, as the laws direct, that he or they intend to become a citizen or citizens of the United States.

Indebted stockholder not to transfer.

Proviso.

ARTICLE XII.

Rate of discount.

The rate of discount, at which loans may be made by any of the said banks, shall not exceed one half of one per centum, for thirty days.

ARTICLE XIII.

Dividends of so much of the profits of the said several banks, as shall appear advisable to the directors of each bank, shall be declared, at least twice a year, on the first Tuesday of May and November, in every year, and paid to the stockholders, on demand, at any time after the expiration of ten days therefrom; but such dividends shall in no case exceed the amount of the nett profits actually acquired by the bank, so that the capital stock of said banks shall never be thereby impaired. If the directors of any of the said banks shall make any dividend, which shall impair the capital stock of such bank, the directors consenting thereto, shall be liable in their individual capacities, to such corporation, for the amount of the stock so divided. And each director present, when such dividend shall be made, shall be adjudged to be consenting thereto, unless he forthwith enter his protest on the minutes of the board, and give public notice to the stockholders of the declaring of such dividend.

When dividends are to be declared.

Dividends not to impair capital stock.

Directors consenting, liable, &c.

What shall be construed a consent.

ARTICLE XIV.

Corporations to hold such lands only, &c.

It shall be lawful for each of the said corporations, to hold such lands, tenements and hereditaments only as shall be requisite for its accommodation, in the convenient transaction of its business, and such as shall be *bona fide* mortgaged or conveyed to it in satisfaction of debts previously contracted in the course of its dealings; or purchased at sales upon judgment, obtained for such debts, or purchased at sales upon judgments of any person or body politic where the same may be necessary to secure any debt due to the said corporations. Not more than thirty thousand dollars shall be expended, by any one of

How much may be ex-

said corporations, in procuring ground and erecting suitable buildings for the banking-house, except in the city and county of Philadelphia, which shall not exceed fifty thousand dollars.—None of the said corporations shall directly, or through the agency of any person or persons whomsoever, either in trust or confidence, deal or trade with any profits, stock, money or effects, in buying or selling any goods, wares or merchandise, whatsoever ; and all and every person or persons who shall, contrary to the true intent and meaning of this act, be engaged, either as principals or agents, in such buying, selling or trading, shall forfeit and pay treble the value of goods, wares or merchandise, so traded for, one half to the use of the person prosecuting for the same, and the other to the state ; but nothing herein contained, shall be so construed as to prevent any of the said corporations from selling any public stock, of which it may be possessed. The said several corporations shall not be at liberty to purchase any stock whatsoever, except their own bank stock or other incorporated bank stock of this state, treasury notes or public stock of the United States, or in any loan proposed by the government of the United States, or stock in any of the incorporated companies of this state, for the improvement of roads and inland navigation :—*Provided*, the stock and treasury notes, so purchased, and loans so made, to the government of the United States, shall, at no time, exceed one fifth part of the amount of stock of such corporation, actually paid in ; and the said several corporations, shall not deal or trade in any thing but bills of exchange, gold or silver bullion, and in the stock and treasury notes aforesaid, or in the sale of goods really and truly pledged for money lent, and not redeemed in due time, or goods which may be the produce of their lands : *Provided*, That the Philadelphia Bank, incorporated by the act entitled, “ An act to extend the charter of the Philadelphia Bank,” passed the twenty-eighth of March, eighteen hundred and twenty-three, shall have the same liberty and authority, in relation to their own bank stock or other incorporated bank stock of this state, treasury notes or public stock of the United States, or stock of any of the incorporated companies of this state, for the improvement of roads and inland navigation, as is by this article given to the several corporations created by this act, any thing contained in the aforesaid act, to extend the charter of the Philadelphia Bank, to the contrary notwithstanding : *And provided also*, That the privileges hereby extended to the Philadelphia Bank, be and they are hereby extended to the Bank of the Northern Liberties, incorporated by the act entitled “ An act to extend the charter of the Bank of the Northern Liberties, in the county of Philadelphia,” passed the thirty-first day of March, eighteen hundred and twenty-three ; any thing in the said act to the contrary, notwithstanding.

pendent in buildings.

Not to deal in any stock.

Penalty for so doing.

Not to purchase any stock except, &c.

Proviso.

Proviso, as to the Philadelphia Bank.

Proviso, as to the Bank of the Northern Liberties.

ARTICLE XV.

The bills obligatory and of credit, under the seal of the said several corporations, which shall be made to any person or per-

Bills under

seal assignable. sons, shall be assignable by endorsement thereupon, under the hand or hands of such person or persons, and of his, her, or their assignee or assignees, so as absolutely to transfer and vest the property and legal title thereof, in each and every assignee, or assignees, successively, and to enable such assignee or assignees to bring and maintain an action thereupon in his, her or their own name or names. And bills or notes which may be issued by order of any of the said corporations, signed by the president and countersigned by the cashier thereof, promising the payment of money to any person or persons, his, her or their order, or to bearer, though not under the seal of such corporation, shall be binding and obligatory upon the same, in like manner and with like force and effect, as upon any private person or persons, if issued by him, her or them, in his, her or their private capacity or capacities; and shall be assignable, and negotiable in like manner, as if they were so issued by such private person or persons:—that is to say, those which shall be payable to any person or persons, his, her or their order, shall be assignable by endorsement, in like manner and with the like effect, as foreign bills of exchange now are; and those which are payable to bearer, shall be negotiable and assignable by delivery, only; and all notes or bills, at any time discounted, by any of the said corporations, or deposited for collection, and falling due at such bank, shall be and they are hereby placed on the same footing as foreign bills of exchange, so that the like benefits shall be had in the payment and the like remedy for the recovery thereof, against the drawer and drawers, indorser and indorsers, and their representatives, and with the like effect, except so far as relates to damages; any law, custom or usage to the contrary in any wise notwithstanding: *Provided*, That no note shall be issued, by any of said corporations, of a lower denomination than five dollars: *And provided also*, That the Philadelphia Bank and the Bank of the Northern Liberties, shall be allowed to receive notes of a lower denomination than five dollars; any thing contained in the act entitled “An act to extend the charter of the Philadelphia Bank,” passed twenty-eighth March, one thousand eight hundred and twenty-three; or in the act entitled “An act to extend the charter of the Bank of the Northern Liberties, in the county of Philadelphia,” passed thirty first March, one thousand eight hundred and twenty-three, to the contrary notwithstanding.

Of bills and notes without seal.

Proviso.

Proviso, relating to the Philadelphia Bank, and the Bank of the Northern Liberties.

ARTICLE XVI.

Of the books and papers. The books, papers, correspondence and funds, of the said several banks, shall, at all times, be subject to the inspection of the directors, who shall keep fair and regular entries of their proceedings, in a book to be provided for that purpose; and on any question, where two directors shall require it, the yeas and nays of the directors voting shall be duly inserted on their minutes, and those minutes shall, at all times, on demand, be produced to the stockholders, at a general meeting; and the minutes, books and papers, shall be subject to the inspection of any committee, who shall be authorised by the legislature, to require the same.

Minutes of proceedings to be kept.

Subject to inspection.

ARTICLE XVII.

It shall be the duty of the president and directors of the said several banks, to exhibit to either branch of the legislature, when called upon so to do, a statement of their affairs in the form of a regular account current; or in such form as may hereafter be pointed out by the legislature, or either branch thereof, as they shall stand, on any day to be designated, specifying particularly the amount of their capital stock paid in, notes in circulation, deposits, debts due to other banks, contingent fund, notes and bills discounted, bills of exchange, stock, real estate, bonds, judgments, mortgages, notes of other banks, debts due by other banks, gold and silver on hand, each to be stated, separately; and such other information, as may enable the legislature to form a correct knowledge of their actual condition: *Provided*, That such a statement of the affairs of each of the said banks, as they shall stand on the 1st Tuesday of November, in each year, shall annually, prior to the 2nd Monday in December, be transmitted, under the oath or affirmation of the president or cashier of each bank, respectively, to the auditor general, who shall, by the 1st Monday of January following, lay the same before the legislature.

ARTICLE XVIII.

The said banks shall not, at any time, suspend or refuse payment, in gold or silver, of any of their notes, bills or obligations, nor of any moneys received upon deposit, in the said banks; and the cashier of said banks, respectively, shall, when required, give a certificate of the time and amount of every such deposit, to the person who makes the same, or his, her or their legal representatives; and if any of the said banks shall, at any time, refuse or neglect to pay, on demand, in gold or silver, any bill, note or obligation, issued by such bank according to the contract, promise or undertaking therein expressed, or shall neglect or refuse to pay, on demand, in gold or silver, as aforesaid, any moneys received in such bank, on deposit, except in the case of special deposits where the contract is different, to the person or persons entitled to receive the same, then, and in every such case, the holder of such note, bill or obligation, or the person or persons entitled to demand and receive such moneys as aforesaid, shall respectively be entitled to receive and recover interest on the said bills, notes, obligations or moneys, until the same shall be fully paid and satisfied, at the rate of six per cent per annum, from the time of such demand, as aforesaid. And it shall be the duty of the president or cashier of the said several banks, and he is hereby required, to make, at the time of demand being made for the payment of any note, bill or obligation, or any money, deposited as aforesaid, the payment of which in gold or silver shall have been refused, an endorsement on the said note, bill, obligation or certificate, setting forth the day and year when the payment thereof was demanded, and subscribe his name thereto. And in case the said president or cashier shall evade, neglect or refuse making such endorsement, at the time and in the manner hereinbefore requir-

Proviso.

ed, he shall forfeit and pay to the holder of such note, bill, obligation or certificate, the sum of twenty-five dollars, to be recovered in the same manner as debts of like amount are or may be by law recoverable: *Provided*, That no holder of any such note, bill, obligation or certificate, shall be entitled to the said interest, for a longer period than three months, by virtue of any such endorsement, unless upon a subsequent demand, at or after the expiration of the said three months, payment shall be again neglected or refused, in which case he or she shall be entitled to the said interest, from the date of the first endorsement until three months after the expiration of the last endorsement; and the holder of any such note, bill, obligation or certificate, is hereby authorised to demand payment of the same, at and after the expiration of every three months, from any preceding demand and refusal; and the date of the second and every subsequent demand or neglect or refusal to pay, shall be endorsed, by the president or cashier, on the note, bill, obligation or certificate, in manner aforesaid, and under the same penalty for refusal that is prescribed in the preceding part of this article. And in case the holder of any such note, bill, obligation or certificate, or his or her executors, administrators or assigns, shall commence suit against any of the said banks, for the recovery of the amount due from the same, then the said interest of six per cent. shall be recovered, on the said amount, until it is paid and satisfied, without any further demand being made of such bank: *Provided*, That nothing in this act shall be construed to prevent any bank from redeeming its own notes with the notes of any other bank in whose behalf the same shall be presented for payment.

2d proviso.

ARTICLE XIX.

Proceedings where banks refuse to pay specie.

Upon the refusal of any of the said banks, to pay any of its notes, bills, obligations or deposited moneys, in gold or silver, at or after the expiration of three months from the time of the first refusal of such bank to pay as aforesaid, it shall and may be lawful, for the holder or proprietor of the same, to make application in writing, to any judge of any court in the proper county, to allow him or her to make proof of said refusal, on oath or affirmation, by one or more disinterested witness or witnesses, before said judge, whose duty it shall be, to give at least ten days' notice to the president or cashier of such bank, of the time and place of making such proof, in order that an opportunity may be afforded for rebutting the same by testimony; and if the facts be substantiated, it shall be the duty of the said judge, to reduce the same to writing, and to transmit the same to the Governor. And it shall be the duty of the Governor, immediately on the receipt of the written proof above specified, to issue his proclamation, declaring the charter of the said bank to be forfeited; and from and after the tenth day after the date of the said proclamation, the charter of the said bank shall be absolutely null and void and of no effect whatsoever, except that the said bank shall be liable, in its corporate capacity, for the fulfilment of all contracts previously

When the Governor shall issue his proclamation annulling the charters.

made and entered into by it; and the stockholders thereof shall have power to elect directors as usual, and be capable of compelling the fulfilment of any contract entered into with said bank, previously to the date of the said forfeiture.

ARTICLE XX.

In case of suspension of payment, in gold or silver, by any of the banks aforesaid, it shall not be lawful, thereafter for such bank to issue its own notes, except to such claimants of deposit moneys as may demand them in lieu thereof, or to make or declare any new loan or dividend, until the said bank shall pay, in gold or silver, the note or notes, bill or bills, obligation or obligations, which the said bank may have refused to pay, as aforesaid. If specie payments be suspended, banks not to issue their own notes except, &c. And if any such note be issued, except as is above excepted, or any such loan or dividend be made or declared, the directors consenting to the same, shall be liable, each in his individual capacity, to pay the amount thereof, to any person or persons holding notes of the said bank, or having a claim for deposit moneys, to an equal amount who shall first sue for the recovery of the same: Directors consenting, to be liable, &c. *Provided*, That nothing herein contained, shall be construed to prevent the said bank from recovering the notes or obligations of those who may be indebted to it, as occasion may require. Proviso.

ARTICLE XXI.

The Legislature may, at any time or times hereafter appoint a joint committee, whose duty it shall be to inquire and examine into the credit and situation of the said several banks, to ascertain the debts and credits thereof, and whether they are in a flourishing or declining situation; and for this purpose, the directors, for the time being, shall furnish the necessary information to the committee. And such committee shall have power, also, if they deem it necessary, to demand the personal inspection of all the specie and books of the said banks, that may tend to elucidate their inquiry; and the committee having performed such duty, shall report to their respective houses, the result of such examination: Right of the legislature to examine into the situation of the affairs of the banks. *Provided*, That this shall not be construed to imply the right of inspecting the account of any individual or individuals, with the said bank, other than the officers of the same. Proviso.

ARTICLE XXII.

The corporate powers, rights and privileges, of each bank, shall, after the expiration of the term for which this charter has been granted, for the liquidation and settlement of all their transactions and accounts, and for no other purpose, be and continue in force, until the same be fully liquidated and settled. Of the settlement of the banks.

ARTICLE XXIII.

The president and directors of each of the said banks, shall furnish to each of the stockholders thereof, on demand, a copy of the act of incorporation and of the by-laws. Act of incorporation and by-laws to be furnished.

ARTICLE XXIV.

Eight per cent. on the dividends to be annually transmitted to the State Treasurer.

That immediately after the declaration of the dividend or nett profits on the first Monday in November, in every year, the president, directors and company, of each of said banks, except the Farmers' and Mechanics' Bank, shall transmit eight per cent. of the whole amount of the dividend, which shall have been declared, during the preceding year, to the State Treasurer, for the use of the Commonwealth, accompanied with a certificate from the president or cashier of the bank, under oath or affirmation, made before any alderman or justice of the peace, of the whole amount of the dividend, which shall have been declared, during the preceding year, including the said first Monday in November; and if any of the said annual payments be not made within two months after the said first Monday of November, in every year, accompanied with the said certificate, as aforesaid, then, and in that case, the said banks, so neglecting to pay, shall be liable to interest upon the amount so due the Commonwealth, at the rate of twelve per cent. per annum, to be computed from the said first Monday of November, until the same be paid; which said principal sum with the interest, shall be recoverable, in any court having competent jurisdiction; and if no dividend shall have been declared and made, during the preceding year, ending with the said first Monday of November, in every year, by any bank having been incorporated for six months previous to said last mentioned day, the charter of the bank, so neglecting to pay or declare dividends, shall, from thenceforth, be absolutely null and void.

In case of neglect 12 per cent. on the amount due to be added,

How recoverable.

When charters shall be void.

Condition upon which the charter of the Farmers' and Mechanics' Bank is granted.

Proviso.

Bills and notes of the present banks to be negotiable

SECT. 4 *And be it further enacted by the authority aforesaid,* That in case of the president and directors of the Farmers' and Mechanics' Bank of Philadelphia, shall accept this charter, the bank hereby established shall, on or before the tenth day of May next, in consideration of the charter hereby granted, surrender to the Auditor General and State Treasurer, certificates of stock or debt, to the amount of seventy thousand dollars, of the loan of one million of dollars, authorised by the act entitled "An act authorising the Governor to procure on loan, one million of dollars," passed on the second day of April, one thousand eight hundred and twenty-one; the interest on the amount of stock or debt so surrendered, to be adjusted by the Treasurer of the Commonwealth, up to the first day of May next; and the Auditor General and State Treasurer, shall cancel or destroy the certificates or evidences of debt, so surrendered by the bank: *Provided always,* That the provisions of the twenty-fourth article of this act, shall not be construed to extend to the said Farmers' and Mechanics' Bank; and the charter hereby granted to the said Farmers' and Mechanics' Bank, shall be and continue in force, until the first day of May, one thousand eight hundred and forty-four.

SECT. 5. *And be it further enacted by the authority aforesaid,* That all bills and notes, printed and remaining with the said corporations, or issued by order of the said corporations, prior to the expiration of their present charters, and afterwards received by them, signed by the president and countersigned by the

cashier, promising the payment of money to any person or persons, his, her or their order, or to the bearer, shall thereafter be negotiable by the said corporations respectively, in like manner as if the same were made and issued by the said corporations hereby established. by the banks hereby created.

SECT. 6. *And be it further enacted by the authority aforesaid,* That the several banks mentioned in the first section of this act, except the Farmers' and Mechanics' Bank, shall continue and be in force, and continue as follows, that is to say: The Mechanics' Bank of the city and county of Philadelphia, Farmers' Bank of Reading, Westmoreland Bank of Pennsylvania, Northampton Bank, Farmers' Bank of Bucks county, Bank of Gettysburg and Lancaster Bank, shall be extended to the first Wednesday in May, eighteen hundred and thirty-three, and no longer; Bank of Delaware county, Commercial Bank of Pennsylvania, Monongahela Bank of Brownsville, Carlisle Bank, Bank of Germantown, Bank of Montgomery county, and the Chambersburg bank, to the first Wednesday in May, eighteen hundred and thirty-five, and no longer; Easton Bank, Schuylkill Bank, Bank of Chester county, York Bank, Farmers' Bank of Lancaster, Harrisburg Bank, and the Bank of Pittsburg, to the first Wednesday of May, eighteen-hundred and thirty-seven, and no longer. Of the continuance of the charters. Banks whose charters expire in 1833. Ditto in 1835. Ditto in 1837.

SECT. 7. *And be it further enacted by the authority aforesaid,* That the notice for the election of directors, and for a general meeting of the stockholders of the several banks established by this act, required by the third section of this act, shall be published in at least one newspaper, printed in the city or county where such bank is located, should there be one therein. Notice of elections and general meetings how published.

SECT. 8. *And be it further enacted by the authority aforesaid,* That the several banking companies enumerated in this act, shall make loans to the amount of one-fifth of their capital actually paid in, for one year, to the farmers, mechanics and manufacturers of the district, in which the bank shall be established, if applied for, on a sufficient surety being given, by bond, mortgage note or otherwise, at six per cent. per annum. And whenever the Legislature of the state may require it, each bank hereby chartered shall loan to the Commonwealth, any sum not exceeding five per cent. of its capital stock actually paid in, at an interest not exceeding five per cent. per annum, payable half-yearly, for any time not exceeding the unexpired term of the charter of any such bank hereby granted: *Provided*, That the money thus loaned to the state, shall not be drawn from such bank so loaning, for the purpose of being deposited in any other bank; but shall remain in the bank, subject to the order of the state, at such times and in such sums as the state treasurer may believe the exigencies of the state require: *Provided*, That at least sixty days notice shall be given, by the governor, to any bank, previous to any requisition for such loan or loans. Amount of loans to be made to Farmers, Mechanics, and Manufacturers. Loans to be made to the state at five per cent. Proviso. 2d Proviso.

SECT. 9. *And be it further enacted by the authority aforesaid,* That if it shall appear, that the charters and privileges by this act granted, to any of the banks herein mentioned, are injurious to the citizens of this commonwealth, the legislature reserve full Power of the legislature to alter and annul charters.

power to alter, revoke and annul them, or any of them, at any time they may think proper.

When this act shall go into operation.

SECT. 10. *And be it further enacted by the authority aforesaid,* That this act shall not go into operation, as respects the individual banks herein mentioned, until the expiration of their respective charters; nor then, unless the president and directors of the several banks to be incorporated, in pursuance of this act, shall, on or before the first Monday of January next, express in writing, lodged with the Secretary of the Commonwealth, their acceptance, for the stockholders, of the respective charters enacted by this act; then, and in that case, all former laws which are hereby altered and supplied, shall be and the same are hereby repealed, from the periods at which the charters of the respective banks herein mentioned expire: *Provided,* That if the president and directors of any of the banks, named in the first section of this act, shall not, before the first Monday of January next, express, as above, their acceptance, for the stockholders, of this charter, then this act to be void and of none effect, so far as the same relates to such banks, so neglecting to express their acceptance of this charter as aforesaid.

Proviso.

Penalty on making, forger or counterfeiting notes, bills, checks, &c.

SECT. 11. *And be it further enacted by the authority aforesaid,* That from and after the passing of this act, if any person shall falsely make, forge or counterfeit, or cause or procure to be falsely made, forged or counterfeited, or willingly aid or assist in falsely making, forging or counterfeiting, any bill or note, in imitation of, or purporting to be, a bill or note, issued by order of the president, directors and company of any or either of the banks mentioned or enumerated in this act, or of any of the banks within this Commonwealth, incorporated in pursuance of any act or acts of the general assembly, or by any or either of the said banks; or any order or check on either of the said banks or corporations, or any cashier of either of the said banks; or shall falsely alter, or cause or procure to be falsely altered, or willingly aid or assist in falsely altering any bill or note, issued by any or either of the said banks, or by order of the president, directors and company of either of the said banks; or any order or check on any of the said banks or corporations, or cashier of either or any of the said banks; or shall pass, utter or publish, or attempt to pass, utter or publish, as true, any false, forged or counterfeit bill or note, purporting to be a bill or note issued by any or either of the said banks, or by order of the president, directors and company of either or any of the said banks; or any false, forged or counterfeited order or check, upon any of the said banks or corporations, or any cashier of either of them, knowing the same to be falsely forged or counterfeited, or shall pass, utter or publish, or attempt to pass, utter or publish, as true, any falsely altered bill or note, issued by any or either of the said banks, or by order of the president, directors and company of any or either of the said banks; or any falsely altered order or check, on any of the said banks or corporations, or any cashier of either of them, knowing the same to be falsely altered, with intention to defraud any of the said banks, or any other body politic or person; or shall sell, utter or

deliver, or cause to be sold, uttered or delivered, any forged or counterfeit note or bill, in imitation or purporting to be a bill or note issued by any or either of the said banks, or by order of the president and directors of any or either of the said banks, knowing the same to be false, forged and counterfeited, every such person shall be deemed and adjudged guilty of felony, and being thereof convicted, by due course of law, shall be sentenced to be imprisoned at hard labor, for a term not exceeding ten years nor less than one year, and fined not exceeding one thousand dollars; and shall be kept, treated and dealt with, in all respects, as other convicts now are or may hereafter be by law; and the clause limiting the duration of any of the banks in this act, or the acts hereinbefore mentioned, shall not, in any measure, affect prosecutions, for the offences hereinbefore enumerated, but shall be carried on against offenders, as if this act and the said acts had been perpetual.

SECT. 12. *And be it further enacted by the authority aforesaid,*

That if any person shall make or engrave, or cause or procure to be made or engraved, or shall have in his custody or possession, any metallic plate, engraved after the similitude of any plate, from which any notes or bills issued by any bank incorporated in pursuance of this act, or of any other bank within this Commonwealth, incorporated by or in pursuance of any act or acts of assembly, shall have been printed, with intent to use such plate, or to cause or suffer the same to be used, in forging or counterfeiting any of the notes or bills issued by the said banks, or any or either of them; or shall have in his custody or possession, any blank note or notes, bill or bills, engraved and printed, after the similitude of any notes or bills, issued by either of the said banks, with intent to use such blanks, or cause or suffer the same to be used in forging or counterfeiting any of the notes or bills, issued by the said banks, or any or either of them; or shall have in his custody or possession, any paper adapted to the making of bank notes or bills, and similar to the paper upon which any notes or bills of either of the said banks shall have been issued, with intent to use such paper, or cause or suffer the same to be used, in forging or counterfeiting any of the notes or bills, issued by either of the said banks, every such person, being thereof convicted by due course of law, shall be sentenced to be imprisoned, and kept to hard labour, in the jail of the proper county, for a term not exceeding three years, and fined in a sum not exceeding five hundred dollars.

Penalty on engraving, &c. with intent to forge or counterfeit, &c.

SECT. 13. *And be it further enacted by the authority aforesaid,*

That in prosecutions for any or either of the offences mentioned and described in the preceding sections of this act, the court shall not require the Commonwealth to produce the charter of either of the said banks; but the jury may find that fact, upon other evidence, under the direction of the court.

In prosecutions Commonwealth not to produce the charter.

SECT. 14. *And be it further enacted by the authority aforesaid,*

That so much of any act or acts of assembly, as is by the eleventh, twelfth and thirteenth sections of this act, hereby altered or supplied, be and the same is hereby repealed: *Provided,* That

Acts repealed. Proviso.



this repeal shall not affect the proceeding against any offender which has commenced, or to prevent the prosecution, conviction and punishment of any crime which may be committed before the passing of this act.

Part of the
act to extend
the charter
of Philadel-
phia Bank,
repealed.

SECT. 15. *And be it further enacted by the authority aforesaid,* That so much of the seventh article of the third section of an act entitled, "An act to extend the charter of the Philadelphia Bank," passed twenty-eighth March, eighteen hundred and twenty-three, as prohibits the directors and officers of the bank, from being debtors to the said bank, as drawers of notes, bills or other obligations, for an amount exceeding one ninth of the capital stock actually paid in, or as endorsers or discounters, for an aggregate amount exceeding one ninth of the capital stock actually paid in, be and the same is hereby repealed.

JOSEPH LAWRENCE, *Speaker*
of the House of Representatives.

WILLIAM MARKS, Junr.
Speaker of the Senate.

APPROVED—the twenty-fifth day of March, one thousand eight hundred and twenty-four.

J. ANDW. SHULZE.